

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
333 West Wacker Drive, Suite 2100  
Chicago, Illinois 60606  
(312) 407-0700  
John Wm. Butler, Jr. (JB 4711)  
John K. Lyons (JL 4951)  
Ron E. Meisler (RM 3026)

- and -

SKADDEN, ARPS, SLATE, MEAGHER & FLOM LLP  
Four Times Square  
New York, New York, 10036  
(212) 735-3000  
Kayalyn A. Marafioti (KM 9632)  
Thomas J. Matz (TM 5986)

Attorneys for Delphi Corporation, et al.,  
Debtors and Debtors-in-Possession

Delphi Legal Information Hotline:  
Toll Free: (800) 718-5305  
International: (248) 813-2698

Delphi Legal Information Website:  
<http://www.delphidocket.com>

UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK

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In re	:	Chapter 11
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DELPHI CORPORATION, et al.,	:	Case No. 05-44481 (RDD)
	:	
Debtors.	:	(Jointly Administered)
	:	
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JOINT STIPULATION AND AGREED ORDER (I) COMPROMISING  
PROOF OF CLAIM NUMBER 16396 AND (II) DISALLOWING AND  
EXPUNGING PROOF OF CLAIM NUMBER 7219  
(CITY OF VANDALIA, OHIO)

Delphi Corporation ("Delphi") and certain of its subsidiaries and affiliates, debtors and debtors-in-possession in the above-captioned cases, including Delphi Automotive Systems LLC ("DAS LLC," and collectively, the "Debtors"), and City of Vandalia, Ohio ("Vandalia") respectfully submit this Joint Stipulation And Agreed Order (I) Compromising Proof Of Claim Number 16396 And (II) Disallowing And Expunging Proof Of Claim Number 7219 (City Of Vandalia, Ohio) and agree and state as follows:

WHEREAS, on October 8, 2005, the Debtors filed voluntary petitions under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101-1330, as then amended, in the United States Bankruptcy Court for the Southern District of New York.

WHEREAS, on May 31, 2006, Vandalia filed proof of claim number 7219 against DAS LLC, asserting an unsecured non-priority claim in the amount of \$46,961.95 ("Claim Number 7219") arising from the prepetition withholding of taxes from the wages of the employees at DAS LLC's plant in Vandalia.<sup>1</sup>

WHEREAS, on July 13, 2007, the Debtors objected to Claim Number 7219

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<sup>1</sup> On June 8, 2006, Vandalia filed proof of claim number 7624 against Delphi, asserting an unsecured non-priority claim in the amount of \$22,307.18 ("Claim Number 7624") arising from the cost of utilities at the DAS LLC plant in Vandalia. Claim Number 7624 supersedes the prior scheduled amount of \$21,284.63. On June 15, 2007, the Debtors objected to Claim Number 7624 pursuant to the Debtors' Seventeenth Omnibus Objection (Substantive) Pursuant To 11 U.S.C. Section 502(B) And Fed. R. Bankr. P. 3007 To Certain (A) Insufficiently Documented Claims, (B) Claims Not Reflected On Debtors' Books And Records, (C) Insurance Claim Not Reflected On Debtors' Books And Records, (D) Untimely Claims And Untimely Tax Claims, And (E) Claims Subject To Modification, Tax Claims Subject To Modification, And Modified Claims Asserting Reclamation (Docket No. 8270) ("Seventeenth Omnibus Claims Objection"). Vandalia did not file a response to the Seventeenth Omnibus Objection. On July 26, 2007, this Court entered the Order Pursuant To 11 U.S.C. § 502(b) And Fed. R. Bankr. P. 3007 Disallowing And Expunging Certain (A) Insufficiently Documented Claims, (B) Claims Not Reflected On Debtors' Books And Records, (C) Insurance Claim Not Reflected On Debtors' Books And Records, (D) Untimely Claims And Untimely Tax Claims, And (E) Claims Subject To Modification, Tax Claims Subject To Modification, And Modified Claims Asserting Reclamation Identified In Seventeenth Omnibus Claims Objection (Docket No. 8737), reclassifying Claim Number 7624 so that the claim is now asserted against DAS LLC, but preserving the right of the Debtors and other parties-in-interest to later object to Claim Number 7624 on other grounds.

pursuant to the Debtors' Nineteenth Omnibus Objection (Substantive) Pursuant to 11 U.S.C. § 502(b) And Fed. R. Bankr. P. 3007 To Certain (A) Insufficiently Documented Claims, (B) Claims Not Reflected On Debtors' Books And Records, (C) Untimely Claim, And (D) Claims Subject To Modification, Tax Claims Subject To Modification, Modified Claims Asserting Reclamation, And Consensually Modified And Reduced Claims (Docket No. 8617) (the "Nineteenth Omnibus Claims Objection").

WHEREAS, on August 9, 2007, Vandalia filed its Response Of City of Vandalia, Ohio To Debtors' Nineteenth Omnibus Objection (Substantive) Pursuant To 11 U.S.C. § 502(b) And Fed. R. Bankr. P. 3007 To Certain (A) Insufficiently Documented Claims, (B) Claims Not Reflected On Debtors' Books And Records, (C) Untimely Claim, And (D) Claims Subject to Modification, Tax Claims Subject To Modification, Modified Claims Asserting Reclamation, And Consensually Modified And Reduced Claims (Docket No. 8987) (the "Response") pursuant to which Vandalia alleged that Claim Number 7219 asserts claims against DAS LLC on account of withholding taxes for 2004.

WHEREAS, on October 31, 2006, Vandalia filed proof of claim number 16396 against DAS LLC, to amend Claim Number 7623<sup>2</sup> and pursuant to which Vandalia asserts a priority claim in the amount of \$44,356.98 ("Claim Number 16396"), arising from withholding taxes related to the DAS LLC plant in Vandalia prior to the Petition Date.

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<sup>2</sup> On June 8, 2006, Vandalia filed proof of claim number 7623 against DAS LLC, asserting a priority claim in the amount of \$20,603.98 ("Claim Number 7623") arising from withholding taxes related to the DAS LLC plant in Vandalia prior to the Petition Date. On March 16, 2007, the Debtors objected to Claim Number 7623 pursuant to the Debtors' Tenth Omnibus Objection (Procedural) Pursuant To 11 U.S.C. Section 502(b) And Fed. R. Bankr. P. 3007 To Certain (A) Duplicate And Amended Claims And (B) Equity Claims (Docket No. 7300) ("Tenth Omnibus Claims Objection"). Vandalia did not file a response to the Tenth Omnibus Objection. On April 23, 2007, this Court entered the Order Pursuant To 11 U.S.C. Section 502(b) And Fed. R. Bankr. P. 3007 Disallowing And Expunging (A) Duplicate And Amended Claims and (B) Equity Claims Identified in Tenth Omnibus Claims Objection (Docket No. 7772), disallowing and expunging Claim Number 7623 in its entirety, identifying Claim Number 16396 as the surviving claim, and preserving the right of the Debtors and other parties-in-interest to later object to Claim Number 16396 on other grounds.

WHEREAS, on May 22, 2007, the Debtors objected to Claim Number 16396 pursuant to the Debtors' Fifteenth Omnibus Objection (Substantive) Pursuant to 11 U.S.C. Section 502(b) And Fed. R. Bankr. P. 3007 To Certain (A) Insufficiently Documented Claims, (B) Claims Not Reflected On Debtors' Books And Records, (C) Untimely Claims And Untimely Tax Claim, And (D) Claims Subject To Modification, Tax Claims Subject To Modification, And Modified Claims Asserting Reclamation (Docket No. 7999) ("Fifteenth Omnibus Claims Objection"), reclassifying Claim Number 16396 as a general unsecured claim. Vandalia did not file a response to the Fifteenth Omnibus Claims Objection.

WHEREAS, on June 29, 2007, this Court entered the Order Pursuant To 11 U.S.C. § 503(b) And Fed. R. Bankr. P. 3007 Disallowing And Expunging Certain (A) Insufficiently Documented Claims, (B) Claims Not Reflected On Debtors' Books And Records, (C) Untimely Claims And Untimely Tax Claim, And (D) Claims Subject To Modification, Tax Claims Subject To Modification, And Modified Claims Asserting Reclamation Identified In Fifteenth Omnibus Claims Objection (Docket No. 8443), providing that Claim Number 16396 shall be reclassified to a general unsecured claim that shall not be entitled to a recovery in an amount exceeding \$23,753.00 against DAS LLC and shall be subject to future objection by the Debtors and other parties-in-interest.

WHEREAS, on November 27, 2007, DAS LLC and Vandalia entered into a settlement agreement among other things, to resolve the Nineteenth Omnibus Claims Objection with respect to Claim Number 7219 and to reclassify Claim Number 16396 (the "Settlement Agreement").

WHEREAS, DAS LLC is authorized to enter into the Settlement Agreement pursuant to that certain Amended And Restated Order Under 11 U.S.C. §§ 363, 502, And 503

And Fed. R. Bankr. P. 9019(b) Authorizing Debtors To Compromise Or Settle Certain Classes Of Controversy And Allow Claims Without Further Court Approval (Docket No. 8401) entered by this Court on June 26, 2007.

WHEREAS, in connection with certain environmental claims asserted against DAS LLC, Delphi and Vandalia have jointly drafted a groundwater ordinance (the "Groundwater Ordinance"). Once the Groundwater Ordinance becomes effective, Delphi will indemnify Vandalia solely for certain claims related to the Groundwater Ordinance, as specified in an indemnification agreement between the two parties dated November 27, 2007 which agreement limits Delphi's liability to a maximum of \$1 million.

THEREFORE, the Debtors and Vandalia stipulate and agree as follows:

1. Proof of Claim Number 16396 shall be reclassified as a priority claim and shall be entitled to a recovery in an amount no greater than \$23,753.00.
2. Proof of Claim Number 7219 shall be disallowed with prejudice and expunged in its entirety.
3. Vandalia shall withdraw its Response to the Nineteenth Omnibus Claims Objection with prejudice.

So Ordered in New York, New York, this 12th day of November, 2007

/s/Robert D. Drain

UNITED STATES BANKRUPTCY JUDGE

AGREED TO AND  
APPROVED FOR ENTRY:

/s/ John Wm. Butler, Jr.

John Wm. Butler, Jr.  
John K. Lyons  
Ron E. Meisler  
SKADDEN, ARPS, SLATE, MEAGHER  
& FLOM LLP  
333 West Wacker Drive, Suite 2100  
Chicago, Illinois 60606-1285  
(312) 407-0700

/s/ Sarah B. Carter

Sarah B. Carter  
PICKREL, SCHAEFFER AND EBELING  
2700 Kettering Tower  
Dayton, Ohio 45423-2700  
(937) 223-1130

Attorneys for City of Vandalia, Ohio

- and -

Kayalyn A. Marafioti  
Thomas J. Matz  
Four Times Square  
New York, New York 10036  
(212) 735-3000

Attorneys for Delphi Corporation, et al.,  
Debtors and Debtors-in-Possession